

## TECHNOLOGY DEVELOPMENT LOAN (TDL) PROGRAM

The Technology Development Loan (TDL) program was established in 1994 to assist Wisconsin businesses that have developed technological innovations that have the potential to provide significant economic benefit to the state. This program is designed to assist the business in bringing the new technology to commercialization.

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### ELIGIBLE APPLICANTS

Any Wisconsin business or consortium can apply for TDL funds. A consortium is an association between a Wisconsin business and a Wisconsin higher educational institution.

### ELIGIBLE ACTIVITIES

- Acquisition of land, buildings, and equipment
- Working capital
- New construction

*Note: Refinancing is not eligible*

### FUNDING AVAILABILITY

Although Commerce can provide up to 75% of eligible project costs, the actual amount of Commerce participation dependent upon factors such as:

- Commercial potential
- Economic impact
- Business viability
- Fund availability
- Collateral position available
- Amount of private funds leveraged

*Note: An outside peer review panel may be used to evaluate the scientific and technical merit of the project.*

### FINANCE TERMS AND CONDITIONS

#### **INTEREST RATE**

The Department of Commerce will provide below market at a fixed rate for the life of the loan (typically 4%).

#### **TERMS**

- Working capital-5 to 7 years
- Equipment-5 to 10 years
- Real estate-up to 15 years

#### **COLLATERAL**

The Department of Commerce will seek the best collateral position possible to ensure that TDL loans are adequately secured.

#### **REPAYMENT**

- Monthly payments of the principal and interest are required.
- Personal guarantees are required.

### THE APPLICATION PROCESS

The TDL application process involves four steps:

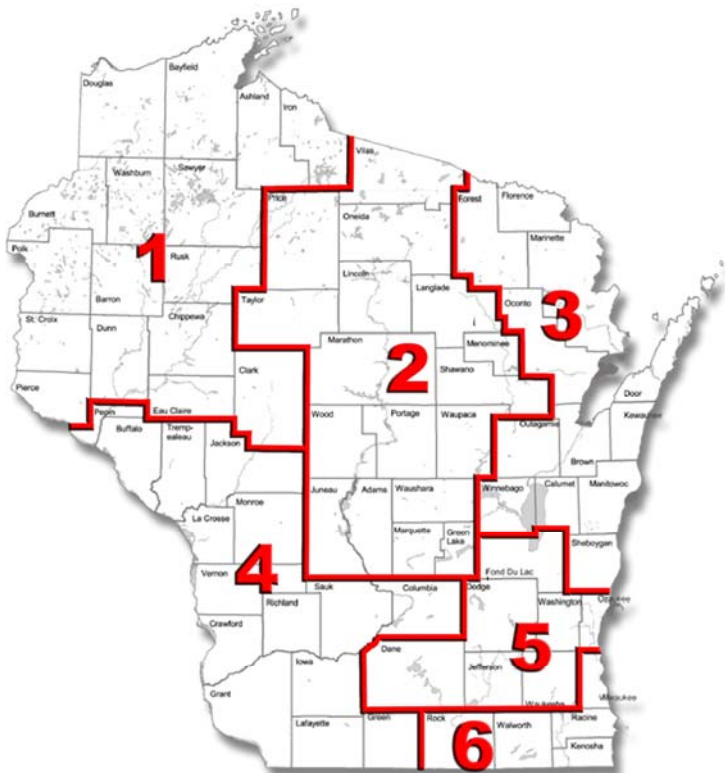
1. Interested applicants must first talk with the local Area Development Manager (See the map on the back). The **ADM** will visit the site and discuss the project with the applicant to gather preliminary project information. In addition, the **ADM** may identify other programs that could potentially assist the applicant.

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2. The applicant will submit the preliminary project information to the Department for review by a Finance Specialist.
3. The Finance Specialist will underwrite the project and make a funding recommendation to the Secretary's Office. The Secretary's Office will:
  - A. Deny the proposal, in which case the applicant will receive a letter outlining the reasons for denial,

**OR**

  - B. Make a positive funding recommendation, in which case the applicant will receive a preliminary commitment letter detailing the terms and conditions of the Department's proposed participation.
4. If a positive recommendation is made, the final step is for the business to submit a TDL application which will be presented to the Wisconsin Development Finance (WDF) Board.



## **BUSINESS INFORMATION**

Interested applicants should have the following information available when they meet with the local **ADM**:

- ☐ Background information on the company.
- ☐ A description of the project.
- ☐ A detailed project budget.
- ☐ Information on employment levels, wages and benefits. Both existing and projected (3 yrs.).
- ☐ A project timeline.
- ☐ Balance sheet, profit and loss, and cash flow statements for the last three fiscal years, and the most recent interim statement.
- ☐ Three years of financial projections with notes covering all significant assumptions.
  1. For the first year, provide monthly balance sheets, profit and loss, and cash flow statements.
  2. For the second and third years, provide fiscal year-end balance sheets, profit and loss, and cash flow statements.

Personal Financial Statements for principals with ownership of 20% or greater. Statements should be signed and include Social Security numbers, phone numbers and home addresses.

## **Area Development Managers**

Region 1: Marty Ambros	715/836-2630
Region 2: Deb Clements	715/344-1381
Region 3: Dennis Russell	920/498-6302
Region 4: William Winter	608/647-4613
Region 5: Kathy Heady	608/266-9944
Region 6: David Martens	608/261-7711
Bureau Director: John Stricker	608/261-7710